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AUG 09 '06

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SURFACE TRANSPORTATION BOARD

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

OF COUNSEL  
URBAN A. LESTER

August 9, 2006

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Security Agreement dated as of June 19, 2006, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Secured Party:	Bank of America, N.A. 1075 Main Street, 2nd Floor Waltham, Massachusetts 02451
Borrower:	Allied Enterprises, Inc. 107 North Commercial Street Springdale, Arkansas 72764

Mr. Vernon A. Williams  
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A description of the railroad equipment covered by the enclosed document is:

40 aluminum bottom discharge coal hopper cars within the series AM 99001 - AM 99063 as more particularly set forth in the equipment schedule attached to the document.

A short summary of the document to appear in the index is:

Memorandum of Security Agreement.

Also enclosed is a check in the amount of \$34.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Edward M. Luria

EML/sem  
Enclosures

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF SECURITY AGREEMENT**

This MEMORANDUM OF SECURITY AGREEMENT ("Memorandum") dated as of June 19, 2006 is between Bank of America, N.A., as Bank, and Allied Enterprises, Inc., as Borrower.

The parties to this Memorandum hereby acknowledge and confirm the following:

A. Borrower and Bank have entered into that certain Loan Agreement and Security Agreement, dated on or about the date hereof (as amended, amended and restated, modified or otherwise in effect from time to time, the "Loan Documents") pursuant to which, among other things, Borrower has granted to Bank a first priority security interest in certain rail cars identified on Exhibit "A" attached hereto (the "Equipment") and all leases, use agreements and other agreements relating to such Equipment as identified in the Loan Documents.

B. The parties hereto wish to show for public record this Memorandum and accordingly have caused this Memorandum to be executed by their officers thereunto duly authorized, as of the date first written.

C. This Memorandum may be executed in counterparts, each such counterpart shall be binding on both parties hereto, notwithstanding that both parties are not signatories to the same counterpart.

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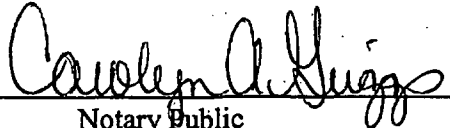
IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the first date herein above written.

Bank of America, N.A.

By:   
Name: Larry A. Manry  
Title: Senior Vice President

State of Arkansas )  
County of Washington ) ss

The foregoing Memorandum was acknowledged before me, the undersigned Notary Public, this 29<sup>th</sup> day of June, 2006, by Larry Manry, in his/her capacity as Sr. V.P. of Bank of America, N.A.

  
Notary Public

My commission expires: 4-6-09

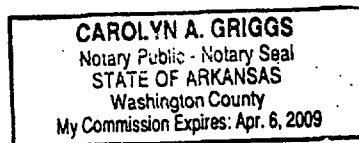


Exhibit "A"

**Description of Equipment**

Aluminum bottom discharge coal hopper rail cars

Reporting Marks and Car Numbers

AM 99001  
AM 99002  
AM 99006  
AM 99007  
AM 99008  
AM 99009  
AM 99010  
AM 99011  
AM 99012  
AM 99014  
AM 99017  
AM 99018  
AM 99020  
AM 99021  
AM 99023  
AM 99024  
AM 99026  
AM 99030  
AM 99032  
AM 99033  
AM 99035  
AM 99036  
AM 99038  
AM 99039  
AM 99040  
AM 99041  
AM 99044  
AM 99045  
AM 99046  
AM 99047  
AM 99050  
AM 99051  
AM 99052  
AM 99053  
AM 99055  
AM 99058  
AM 99060  
AM 99061  
AM 99062  
AM 99063